

APPROVE STUDENT HEALTH INSURANCE RATES FOR URBANA AND
CHICAGO UNIVERSITIES, ACADEMIC YEAR 2020-2021

Action: Approve Student Health Insurance Rates for Urbana and Chicago Universities, Academic Year 2020-2021

Funding: No New Funding Required

The Chancellors/Vice Presidents at Urbana and Chicago recommend approval of student health insurance rates for Academic Year 2020-2021. The student health insurance rate, combined with the student health service fee, provide financial support for the health care programs that are tailored to meet the needs of the students at the universities. The universities consult with student advisory groups on health program coverage and the resulting rate. Students may choose not to participate in the student health insurance program by providing evidence of comparable insurance coverage from other sources. Attached is a summary of the student health program coverage.

The Urbana university sought competitive proposals from commercial insurers as recently as 2015 to underwrite student plans. For Fall Semester 2020, Urbana continues to be underwritten by United Healthcare. The cost will increase by \$179 per semester for undergraduate students (+33 percent) and \$231 per semester for graduate/professional students (+33 percent). The increased costs are due to greater utilization of the insurance in the areas of digestive health care, maternity, mental health, respiratory, and musculoskeletal claims as well as higher medical loss ratios for student

athletes. In addition, more undergraduates are opting out of the program, and they tend to be the students with fewer claims, which increases the cost of insurance for the remaining insured students.

Beginning in 2004, the Chicago university initiated a self-funded student health benefit plan, *CampusCare*. For Fall Semester 2020, Chicago proposes an increase of \$24 per semester for both undergraduate and graduate/professional students (+3.5 percent). The increased cost will cover a benefit enhancement that will provide coverage for Long Acting Reversible Contraception which was previously covered by a grant that has terminated.

The current student health insurance rates for Academic Year 2019-2020 and the proposed rates for Academic Year 2020-2021 are displayed below. Despite the proposed increases, our student health insurance rates are very competitive compared to those at peer institutions, especially given the scope and breadth of the benefits provided.

UNIVERSITY	CURRENT RATE PER SEMESTER AY 2019-2020	PROPOSED RATE PER SEMESTER AY 2020-2021
<i>Urbana</i>	Undergraduate \$544	Undergraduate \$723
	Graduate \$696	Graduate \$927
<i>Chicago</i>	All students \$673	All students \$697

The rates displayed are for the typical undergraduate, graduate, and professional student. Rates may vary for the summer session. Students needing coverage for their spouse and/or dependents voluntarily pay a separate charge.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Executive Vice President and Vice President for Academic Affairs as well as the Vice President, Chief Financial Officer and Comptroller concur in these recommendations.

The President of the University recommends approval.